

MINUTES
State Allocation Board
February 28, 2007

Upon notice duly given, the monthly meeting of the State Allocation Board was held in Room 112 of the State Capitol in Sacramento, California on February 28, 2007 at 4:00 p.m.

Members of the Board present were as follows:

- Michael Genest, Director, Department of Finance
- Rob Cook, Deputy Director, Interagency Support Division, Department of General Services, designated alternate for Will Bush, Interim Director, Department of General Services
- Kathleen Moore, Director, School Facilities Planning Division, California Department of Education, designated representative for Jack O'Connell, Superintendent of Public Instruction
- Rosario Girard, President and CEO, Phoenix Construction Services, Inc., appointee of Arnold Schwarzenegger, Governor of the State of California
- Senator Bob Margett
- Senator Jack Scott
- Senator Joe Simitian
- Assembly Member Gene Mullin
- Assembly Member Jean Fuller
- Assembly Member Kevin de Leon

Representatives of the State Allocation Board (SAB) were as follows:

Lori Morgan, Acting Executive Officer
Mavonne Garrity, Assistant Executive Officer

Representatives of the Department of General Services, Office of Public School Construction (OPSC), were as follows:

Lori Morgan, Acting Executive Officer
Dave Zian, Chief of Fiscal Services

Representative of the Department of General Services, Office of Legal Services, was as follows:

Garry Ness, Assistant Chief Counsel

With a quorum present, Michael Genest, Chair, called the meeting to order at 4:05 p.m.

PRIOR MINUTES

A motion was made and carried to approve the Minutes for the January 24, 2007 SAB meeting.

The Board welcomed as the newest appointments to the SAB, Senator Joe Simitian and Assembly Member Kevin de Leon, and welcomed Lori Morgan as the Acting Executive Officer of the SAB.

EXECUTIVE OFFICER'S STATEMENT

The Acting Executive Officer informed the Board that proposed regulations for the Overcrowding Relief Grant Program were being presented in the Agenda. With the approval of these regulations, all of the regulations to implement and administer the new programs under Proposition 1D have been presented and approved by the Board, with the exception of the Seismic Program. The Seismic Program will be discussed at a future SAB Implementation Committee meeting with proposed regulations presented to the Board thereafter.

The Board was also provided an update regarding Proposition 1D workshops. The OPSC, in collaboration with the California Department of Education, have commenced with workshops throughout the State, discussing the Career Technical Education Facilities Program and the Overcrowding Relief Grant Program. Additional information regarding the workshops can be found on the OPSC Web site.

Lastly, the Acting Executive Officer was pleased to announce to the Board that the OPSC complied with the Executive Order S-02-07, including generating Bond Accountability Web site pages for K-12 education that far exceeded the functionality expectations for the February 26, 2007 timeline. The Board thanked staff and responded with a round of applause.

CONSENT ITEMS

In considering this item, the Board approved the consent calendar as presented with the exception of page 74. The Simi Valley Unified School District requested to withdraw its modernization project (57/72603-00-009).

FINANCIAL REPORTS***Status of Funds***

The Board accepted the Status of Funds report as presented.

SPECIAL CONSENT ITEMS***Exeter Union High/Tulare 58/71928-00-001***

In considering this item, the Board approved the staff's recommendations.

Sacramento City Unified/Sacramento 58/67439-00-001

In considering this item, the Board approved the staff's recommendations.

SPECIALS/APPEALS***School Facility Program Joint-Use Projects***

In considering this item, the Board approved the staff's recommendations. In addition, the Board requested staff to confirm that a Labor Compliance Program (LCP) cannot be required for those projects considering the revenues utilized are derived from the State School Building Aid Fund and not from the 2004 State School Facilities Fund. Additionally, staff was requested to research the permissibility of providing the LCP augmentation to school districts that voluntarily choose to initiate and enforce a LCP.

Amendment to the Phase-Out Plan for the State Relocatable Classroom Program

In considering this item, the Board approved the staff's recommendations.

Santa Maria Joint Union High/Santa Barbara 57/69310-00-001 and 57/69310-00-002

This item was withdrawn at the request of the District.

REGULATIONS***Assembly Bill 127 Amendments to Program Regulations***

Mr. Stephen English, representing the Advancement Project, addressed the Board concerning the use of Regulation Section 1859.73.2 in conjunction with the Overcrowding Relief Grant (ORG) Program. Ms. Estelle Lemieux, representing the California Teacher's Association, addressed the Board and asked the Board to not delay the implementation of this program. As a matter of good faith while providing clarification surrounding the use of multistory replacement funding combined with ORG funding, the Board requested that the following statement be recorded as a matter of record in the Minutes:

"Overcrowding Relief Grants may be used in combination with funds available under Regulation Section 1859.73.2, so long as the district meets all the requirements pursuant to that regulation."

The Board approved the staff's recommendations and requested staff to address any technical concerns, with input from the SAB Implementation Committee at its April 2007 meeting, if resolution cannot be reached through continued dialogue with staff. If resolution is reached, staff will provide an update for the Board, or if warranted, clarifying regulatory amendments, at the March SAB meeting.

REPORTS***School Facilities Needs Assessment Grant Program***

Mr. Jesse Gonzales, Superintendent of the Compton Unified School District, addressed the Board regarding the District's inability to complete the needs assessment reports that were due to the OPSC no later than January 1, 2006. The District indicated to the Board that the reports would be submitted by mid-June 2007. In considering this item, the Board accepted the report. The Board requested staff to provide further updates, as warranted, as they progress with the expenditure report review process.

REPORTS (Contd.)***High Performance Schools Incentive Grant***

The Board requested staff to bring this item back to the March SAB meeting so that relevant follow-up issues can be explored. The Board asked what was meant by the terms "Enhanced Commissioning," and "Edible Gardens." Staff read into the record the following meanings:

- Enhanced Commissioning: ensures that all systems in the buildings are functioning correctly and are integrated in design.
- Edible Gardens: on-site school gardens with accompanying salad bars and compost programs that can increase student performance by enhancing the nutritional value of the food served in schools as well as providing an important science teaching tool and opportunity for community involvement. Construction of an instructional school garden per Section 9000 and 9001 of the Education Code along with the infrastructure necessary to implement a school garden, salad bar, and compost program is the proposed metric for this measure.

In addition, the Board requested staff to research additional information concerning the California Climate Action Registry in light of the Governor's recent meeting related to the registry for global warming.

INFORMATION/REFERENCE***SAB Meeting Dates for the Calendar Year 2007******School Facility Program Workload List - Applications Received Through February 2, 2007******Facility Hardship/Rehabilitation Approvals Without Funding List as of January 24, 2007*****ADJOURNMENT**

There being no further business to come before the Board, the Chair adjourned the meeting at 5:05 p.m.

LORI L. MORGAN, Acting Executive Officer